MINUTES AND REPORT

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MEETING OF THE BOARD OF DIRECTORS

CO-OPERATIVE FEDERATION OF VICTORIA LTD.

held at

225 Swanston Street, Melbourne on Monday, 17th October 1983, commencing 4 p.m.

1. PRESENT

Mr. J. N. Black	Chairman
Mr. R. Harper	
Mr. E. J. Long	
Mr. B. H. Macintosh	
Mr. M. Rundle	
Mr. M. Sevior	
Mr. G. J. Simm	
Mr. O. J. Slattery	
Mr. W. W. Rawlinson	Executive Officer

2. MINUTES

Minutes of the Board meeting held 19th September, having been circulated, were received, confirmed and adopted.

Moved: Mr. Rundle
Seconded: Mr. Long

3. MATTERS ARISING

Minute 3. Resignation of Mr. Dash

Formal letter of resignation received from Mr. Dash. Appreciatory letter sent to Mr. Dash.

Minute 3. Delegate of Member V.C.C.A.

V.C.C.A. confirm Mr. M. Sevior as their delegate to the Federation.

Minute 4.iii Reduced Subscription

Terang & District Co-operative Society advised of reduced rate of subscription for current year.

Minute 4.iv Co-operative Status

The Registrar of Co-operative Societies, Victoria, advised of Rule amendment on voting powers made by member Murray Goulburn Co-operative Ltd.

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Minute 6. E.C.D.P. Business Unit Funds

Financial report submitted to Ministry Employment and Training showing balance of funds as at 31.8.83.

4. CORRESPONDENCE

4.i From Co-operative Federation, N.S.W. inviting attendance at the Annual General Meeting of that Federation.

- *Victorian Federation unable to be represented.*

4.ii From Registrar, Co-operative Societies, Victoria

Forwarding job description Deputy Registrar, General Co-operatives.

- *Noted.*

4.iii From Composite Buyers, Auckland, New Zealand

Requesting advice on Wholesale Co-operatives in Ladies, Men's wear and fabric lines.

- *Meeting in Melbourne arranged with Manager.*

5. FINANCIAL STATEMENT

5.i A statement of income and expenditure for the period 1/7/83 to 30/9/83 was presented to the meeting. The Board directed:

(i) Balance of funds on ECDP Business Unit account to be transferred to a separate account.

(ii) An amended Balance Sheet showing financial position as at 30/9/83 be prepared and circulated for information of the Board.

(iii) Subject to (i) and (ii) the financial statement to be received.

Moved: Mr. Simm
Seconded: Mr. Harper

5.ii Finance Committee

Mr. Long reported the Finance Committee had met as required by Minute 6 of September meeting of the Board.

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After due consideration the Board resolved

(i) *That annual subscriptions for Credit Unions seeking affiliation with the Federation be set at a rate of 25 cents per $1,000 value of assets with a maximum subscription of $750; this rate to be subject to negotiation if the Board so directs in any specific instance.*

(ii) *That annual subscriptions for Permanent Building Societies seeking affiliation with the Federation be set at a rate of $1,000 per annum.*

(iii) *That an invitation for membership of the Federation be extended to the Federation of Housing Societies with a subscription rate of $200 payable for the current year. The invitation to refer to the contribution made to the affairs of the Co-operative Federation by Mr. Jack Mason of the Federation of Housing Societies.*

Moved: Mr. Long
Seconded: Mr. Rundle

6. SERVICES

6.i Bulk Fuel Purchases

Mr. Simm reported that the Committee responsible for development of this project had met in accordance with directions of Minute 7 of the September Board meeting.

The Committee recommend

On the basis of

(a) the take-off quantities indicated to the oil companies are not reduced;

(b) installations are either owned by the participating Co-operatives or are on Co-operative's own land;

(c) the central account being maintained by the Co-operative Federation;

(d) participating Co-operatives pay in advance a deposit to be held in trust in a special interest bearing account;

(e) the Federation controls the amount of discount payable to each participating Co-operative relative to the amount allowed by the oil company and the current rate being paid by the Co-operative;

that firm quotes be obtained from Shell, Ampol and Esso to enable a costing exercise to be undertaken showing

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(a) benefit to participating Co-operatives

(b) cost of administration by C.F.V.

(c) net benefit to C.F.V.

The Board

endorsed the recommendations above. In directing action to proceed the Directors also directed that consideration be given to allow participating Co-operatives to cover credit liabilities by a Bank Guarantee scheme with establishment charges payable by the Co-operatives.

6.ii Central Banking

A response received from V.C.C.A. on the exercise reported to the September Board Meeting indicates the scheme to be worthy of further detailed study. A response from C.F., New South Wales and a Bank to enable comparison of cost benefits to be made is still awaited.

7. EDUCATION AND TRAINING

(i) Director Training

Mr. Cooper has indicated availability for late March proposed programme.

(ii) Trading Co-operative Executives

Cost studies and planning being undertaken by C.F. N.S.W., from whom detailed advice is awaited to enable promotion to start.

(iii) Directors/Executives participation in American Institute of Co-operation Summer Institute

Enquiry addressed to Dr. David Downey passed to Director, A.I.C., from whom details awaited. Mr. Simm recommended the possibility of obtaining travel grants for promotion of small businesses be explored.

(iv) Victorian Dairy Industry Training Committee

Mr. Rawlinson reported a meeting has been arranged with the Manpower Development Executive Officer of the V.D.I.T.C. with the object of discussing combining resources to improve training programmes for Dairy Co-operative Directors.

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8. EMPLOYMENT CO-OPERATIVE DEVELOPMENT PROGRAMME

Mr. Harper reported he and Mr. Rawlinson had attended a meeting of the Funding Committee on 5th October 1983 when the notion of formation of an Industrial Co-operatives Development Committee was advanced. A proposal for the Co-operative Federation to convene a meeting on 11th November for advancement of this project was accepted but, subsequently, was deferred by the Ministry Employment and Training.

A public meeting has been called independently by Paul Martin with the object of forming a Worker Co-operative Development Programme.

Discussion ensued on the relative emphasis on Industrial Democracy, the traditional Co-operative structure and the acceptance of commercial reality as an essential factor in Co-operative operations. No conflict was seen by the Board in the ultimate Co-operative objective of the differing types of Co-operative activity.

The role of the Federation was seen as that of protection of the image of true Co-operatives, at the same time recognising the importance of creating permanent job opportunities through formal self-help Co-operative structures.

A further meeting of the Funding Committee is scheduled for 19th October to be chaired by the recently appointed Deputy Director in charge of the Programme.

The Board noted the report from the Chairman of the Ministry's Evaluation Committee to the Minister in which the Committee accepted the necessity for an appropriate support agency unit for Co-operatives in the Programme, and identified three options, including such a unit within the Co-operative Federation.

"The Committee also believes that the Co-operatives could, in effect, be models for economic democracy".

No response has yet been received from the Premier to the Federation's request for an official Government indication of future policy and direction in the Programme.

Mr. Rawlinson reported that the Education Programme for Intenders and a Co-operative Enterprise course, as preliminary required participation by groups proposing formation of Co-operatives for funding under the Programme, has commenced at Preston College of T.A.F.E. He has been asked to present two papers in four sessions of the Programme.

9. CO-OPERATIVE SOCIETIES ADVISORY COUNCIL

The next meeting is scheduled for 27th October 1983 when the agenda will include consideration of the Federation's submission to the Registrar on the matter of rule amendments by Murray Goulburn Co-operative Co. Ltd.

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10. CO-OPERATIVE FEDERATION OF AUSTRALIA

The proposed meeting of the Council scheduled for 1st November 1983 has been deferred.

11. REPORT FROM EXECUTIVE OFFICER

Mr. Rawlinson sought direction of the Board on the acceptability of the style of the 'Report from the Board', circulated to members.

It was generally agreed to be less effective than was desirable. Proposals for improvement within the current budget constraints included -

(a) re-style to one page, setting out headings only;

(b) seek advice from each member Co-operative on name and address of one director who, in addition to the Co-operative office copy, would assume responsibility for receipt and communication of content to fellow Board members;

(c) seek information from member Co-operatives on matters of local and general Co-operative significance, including staff vacancies, legislative or taxation problems.

The Executive Officer reported having visited

Geelong Wholefoods Co-operative

Geelong Community Co-operative

Lakes Entrance Fishermen's Co-operative

Retail Nurserymen's Co-operative

Snowy River Co-operative

Swifts Creek Potential Community Co-operative

He had met with the Registrar for discussion on the Seminar for Malaysian Federation of Co-operative Housing Societies to be held in Melbourne, 19th November, organised by the Co-operative Federation.

He had also discussed the Budget cuts in the proposed increased grant to the Federation and the exclusion of the proposed funds for Promotion of Co-operatives.

12. OTHER BUSINESS

(i) Mr. Sevior indicated Ed. Credit could possibly be in a position to assist the Federation with office accommodation and administration after April 1984.

(ii) The Brotherhood of St. Laurence support service for co-operative food buying groups in the Fitzroy area has applied for funds to establish a central warehouse facility to assist such groups. A meeting is being

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arranged to ensure a co-ordinated approach will produce the best solution to the proposal.

The Federation will be invited to be involved.

(iii) Mr. Slattery reported on possible long term Co-operative benefits for Co-operatives eligible under Section 117(1)(b) of the Taxation Act under the State Government's Payroll Tax Rebate Scheme.

(iv) Mr. Macintosh tabled the Annual Report of Morwell Co-operative Ltd.

13. NEXT MEETING

The Board set Monday, 5th December 1983, at 4 p.m. as the date of the next meeting.

14. CLOSURE

There being no further business the meeting was closed at 6.40 p.m.